

CHAPTER 28  
WASTEWATER TREATMENT FINANCIAL ASSISTANCE PROGRAM

**265—28.1(81GA,HF2782) Overview.**

**28.1(1) Statutory authority.** The authority to provide financial assistance to communities that must install or upgrade wastewater treatment facilities and systems is provided by 2006 Iowa Acts, House File 2782, section 63. The wastewater treatment financial assistance fund shall consist of appropriations made to the fund and transfers of interest, earnings, and moneys from other funds as provided by law.

**28.1(2) Purpose.** The purpose of the program is to provide grants to enhance water quality and to assist communities to comply with water quality standards adopted by the department of natural resources. Financial assistance under the program shall be used to install or upgrade wastewater treatment facilities and systems, and for engineering or technical assistance for facility planning and design.

**265—28.2(81GA,HF2782) Definitions.**

“*Authority*” or “*IFA*” means the Iowa finance authority as established by Iowa Code chapter 16.

“*Community*” means a city, county, sanitary district, rural water district, or other governmental body empowered to provide sewage collection and treatment services in connection with a project.

“*Department*” or “*DNR*” means the Iowa department of natural resources.

“*Director*” means the director of the authority.

“*Program*” means the wastewater treatment financial assistance program created in 2006 Iowa Acts, House File 2782, section 63.

“*Project*” means the acquisition, construction, reconstruction, extension, equipping, improvement or rehabilitation of any works and facilities useful for the collection, treatment, and disposal of sewage and industrial waste in a sanitary manner.

“*Recipient*” means the entity receiving funds from the program.

“*SRF*” means the state revolving fund, which is the Iowa water pollution control works and drinking water facilities financing program administered by IFA and DNR.

**265—28.3(81GA,HF2782) Project funding.**

**28.3(1) Recipient eligibility.** Communities eligible to apply for assistance shall meet the following criteria:

- a.* The project will serve a community that qualifies as a disadvantaged community as defined by DNR for the drinking water facilities revolving loan fund established in Iowa Code section 455B.295;
- b.* The community is required to install or upgrade wastewater treatment facilities or systems due to regulatory activity in response to water quality standards adopted by DNR in calendar year 2006; and
- c.* The population of the community served by the project is less than 3,000.

**28.3(2) Project eligibility and priority.** Financial assistance is available for the upgrade or installation of wastewater treatment facilities and systems attributable to compliance with changes to the water quality standards adopted by DNR in calendar year 2006. Financial assistance shall be available under the program only for projects for which DNR determines that completion of the project, or a part of the project, is necessary for the community to meet water quality standards. Priority shall be given to projects in which the program financial assistance is used in connection with financing under the SRF, or is used in connection with other federal or state financing. Priority shall also be given to projects that will provide the most significant improvement to water quality; this criterion will be determined by the score given to a project by the department pursuant to the project priority rating system used for the water pollution control state revolving fund and set forth in 567—Chapter 91.

**28.3(3) Applications.** Applications will be accepted quarterly on forms developed by IFA and available at [www.iowafinanceauthority.gov](http://www.iowafinanceauthority.gov). Grants will be awarded quarterly. IFA will coordinate with other applicable state or federal financing programs when possible.

**28.3(4) Required matching funds.** Communities approved for financing shall provide matching moneys in the following amounts:

*a.* Sewered communities and unsewered incorporated communities with a population of less than 500 shall provide a 5 percent match.

*b.* Communities with a population of 500 or more but less than 1,000 shall provide a 10 percent match.

*c.* Communities with a population of 1,000 or more but less than 1,500 shall provide a 20 percent match.

*d.* Communities with a population of 1,500 or more but less than 2,000 shall provide a 30 percent match.

*e.* Communities with a population of 2,000 or more but less than 3,000 shall provide a 40 percent match.

**28.3(5) Costs.** All eligible costs must be documented to the satisfaction of the authority before proceeds may be disbursed. The applicant must declare how much of the total project costs are attributable to complying with the changes to the water quality standards adopted by DNR in calendar year 2006.

**28.3(6) Record retention.** The recipient shall maintain records that document all costs associated with the project. The recipient shall agree to provide access to these records to the authority. The recipient shall retain such records and documents for inspection and audit purposes for a period of three years from the date of the final disbursement of grant funds.

**28.3(7) Site access.** The recipient shall agree to provide the authority, the department and the department's agent access to the project site at all times during the construction process to verify that the funds are being used for the purpose intended and that the construction work meets applicable state and federal requirements.

## **265—28.4(81GA,HF2782) Termination; rectification of deficiencies; disputes.**

**28.4(1) Termination.** The authority shall have the right to terminate any grant when terms of the agreement have been violated. Grants are subject to termination if construction has not begun within one year of the execution of a grant agreement. The director shall establish a repayment schedule for funds already disbursed to the recipient. All terminations shall be in writing.

**28.4(2) Rectification of deficiencies.** Failure of the recipient to implement the approved project or to comply with the applicable requirements constitutes grounds for the authority to recapture or withhold funds. The recipient is responsible for ensuring that the identified deficiency is rectified. Once the deficiency is corrected, the funds can be released.

**28.4(3) Disputes.** A recipient that disagrees with the director's withholding of funds may request a formal review of the action. The recipient must submit a request in writing to the director within 30 days of notification by the authority of its planned action.

These rules are intended to implement 2006 Iowa Acts, House File 2782, section 63.

[Filed 11/1/06, Notice 8/30/06—published 11/22/06, effective 12/27/06]

[Filed emergency 12/27/06—published 1/17/07, effective 12/27/06]